



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

August 14, 2012

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[MA-ACA Website](#)



These Updates, published by the Executive Office of Health and Human Services (EOHHS) in consultation with the other state agencies involved in ACA implementation, will bring you news related to the implementation of provisions of the ACA here in Massachusetts.

Guidance

8/10/12 IRS/Treasury published a correction to the proposed rule "Additional Requirements for Charitable Hospitals." The document corrects technical errors that appeared in [the proposed rule](#) that was published in the June 26, 2012 Federal Register.

The proposed regulations provide guidance regarding requirements under ACA §9007 and §10903 for charitable hospital organizations relating to financial assistance and emergency medical care policies, charges for certain care provided to individuals eligible for financial assistance, and billing and collections. The proposed rules seek to clarify hospitals' responsibilities under the ACA, give patients at least four months to apply for financial help before hospitals can surrender their claims to collections agencies or file lawsuits. The proposed regulations would also require hospitals to establish financial assistance policies (FAPs) and provide patients with the information needed to apply for such help.

As stated in the proposed rule, comments or requests for a public hearing are due September 24, 2012.

Read the correction at: <http://www.gpo.gov/fdsys/pkg/FR-2012-08-10/pdf/2012-19589.pdf>

8/10/12 HHS issued an interim final rule with comment period, Administrative Simplification: Adoption of Operating Rules for Health Care Electronic Funds Transfers (EFT) and Remittance Advice Transactions. The rule implements portions of §1104 which requires the adoption of operating rules for making health care claim payments electronically and describing adjustments to claim payments.

The rule adopts EFT and electronic remittance advice (ERA) operating rules that, when implemented by health plans, are estimated by HHS to save the physician practices, hospitals

and health plans between \$300 million and \$3.3 billion over the next ten years. Currently many physician practices and hospitals receive and deposit paper checks and manually post and reconcile health care claim payments in their accounting systems. By receiving payments electronically and automating the posting of the payments, a physician practice and hospital's administrative time and costs can be decreased, saving money.

This regulation is the third in a series issued by HHS aimed at streamlining health care administrative transactions and maximizing the use of existing standards by providers. **HHS published the first regulation, [Administrative Simplification: Adoption of Operating Rules for Eligibility for a Health Plan and Health Care Claim Status Transactions](#)** on July 8, 2011. The regulation established new operating rules for electronic health care transactions in order to simplify existing requirements for use by health plans and providers in determining a patient's health insurance eligibility and the status of a health care claim submitted to a health insurer. On January 10, 2012, **HHS published a second regulation, [Administrative Simplification: the Adoption of Standards for Health Care Electronic Funds Transfers and Remittance Advice](#)**, which adopts standards for health care claim payments made via EFT and for ERA.

HHS projects that the three operating rules will save physician practices, hospitals and health plans between \$2.7 billion and more than \$9 billion in administrative costs over ten years by reducing inefficient manual administrative processes. The compliance date for operating rules for the health care electronic funds transfers (EFT) and remittance advice transaction is January 1, 2014.

Comments are due October 9, 2012.

Read the interim final rule with comment period, Administrative Simplification: Adoption of Operating Rules for Health Care Electronic Funds Transfers (EFT) and Remittance Advice Transactions at: <http://www.gpo.gov/fdsys/pkg/FR-2012-08-10/pdf/2012-19557.pdf>

Read the press release at: <http://www.hhs.gov/news/press/2012pres/08/20120807a.html>

Read the fact sheet at: [CMS](#)

8/7/12 Department of Labor posted a 10th set of FAQ's regarding implementation of the summary of benefits and coverage (SBC) provisions of the ACA. The FAQ's have been prepared jointly by the Departments of Labor, Health and Human Services (HHS), and the Treasury (the Departments). Like previously issued FAQ's (available at <http://cciio.cms.gov/resources/factsheets/>), these FAQ's answer questions from stakeholders to help people understand the new law and benefit from it, as intended. The final SBC rule implements the disclosure requirements, as added by §10101(b) of the ACA, which require plans to provide concise and comprehensible coverage information to the millions of Americans with private health coverage so that they can more easily directly compare one plan to another.

The SBC FAQ's can be found at: <http://www.dol.gov/ebsa/faqs/faq-aca10.html>

The final SBC rule is available at: <http://www.gpo.gov/fdsys/pkg/FR-2012-02-14/pdf/2012-3228>

Prior guidance can be viewed at: www.healthcare.gov

News

8/10/12 CMS announced the three consortia selected to participate in the Independence at Home Demonstration authorized under §3024 of the ACA. Under the demonstration, the CMS Innovation Center will work with medical practices to test a payment incentive and service delivery system that utilizes physician and nurse practitioner directed home-based primary care teams aimed at improving health outcomes and reducing

expenditures for chronically ill Medicare beneficiaries. The Demonstration greatly expands the scope of in-home services Medicare beneficiaries receive and provides patients with a complete range of primary care services. The Demonstration will reward health care providers that provide high quality care while reducing costs and test whether or not delivering primary care services in the home can improve the quality of care and health outcomes for patients living with chronic illnesses while also reducing their costs.

They are: 1) Innovative Primary Senior Care LLC (Skokie, Illinois), 2) Treasure Coast Healthcare, LLC (Stuart, Florida) and 3) Virginia Commonwealth University Health System/Medical College of Virginia Hospitals and Physicians (Richmond, Virginia).

In April CMS announced the names of 16 individual practices selected to participate in the Demonstration including Boston Medical Center.

To learn more about the Independence at Home Demonstration and read a complete list of all demonstration participants, visit: <http://innovation.cms.gov/initiatives/Independence-at-Home>

8/9/12 IRS/Treasury published a notice cancelling a public hearing regarding "Fees on Health Insurance Policies and Self-Insured Plans for the Patient-Centered Outcomes Research Trust Fund." The proposed regulations, issued in April 2012, implement and provide guidance on the fees imposed by the ACA on issuers of certain health insurance policies and plan sponsors of certain self-insured health plans to fund the Patient-Centered Outcomes Research Trust Fund (the "Trust Fund").

The proposed regulations affect the issuers and plan sponsors that are directed to pay those fees. Created under §6301 of the ACA, the Patient-Centered Outcomes Research Institute, or PCORI, is an independent nonprofit tasked with conducting patient-centered outcomes research and gathering public feedback to help define that term. §6301 of the ACA amended the Internal Revenue Code by adding a new section to establish the Trust Fund, which is the funding source for the Institute. §6301 of the ACA also added new sections to the Code to provide a funding source for the Trust Fund that is to be financed, in part, by fees paid by issuers of specified health insurance policies and sponsors of applicable self-insured health plans. In the rule, the IRS/Treasury proposed that the fee should be approximately \$1 per covered life in 2012 and \$2 in 2013.

Comments on the proposed regulations and/or request to speak at the public hearing were due July 30, 2012. According to the notice, no one had requested to speak at the hearing as of Monday, July 30, 2012. **As a result, the agency has canceled the hearing that was scheduled for August 8, 2012.**

Read the notice at: <http://www.gpo.gov/fdsys/pkg/FR-2012-08-09/pdf/2012-19585.pdf>

Read the proposed rule (which published in the Federal Register on April 17, 2012) at: <http://www.gpo.gov/fdsys/pkg/FR-2012-04-17/pdf/2012-9173.pdf>

EOHHS News

Request for Responses from Integrated Care Organizations- Deadline Extended

MassHealth has issued two Amendments to the Duals Demonstration RFR and two Q&A documents, based on questions submitted by interested organizations. These documents are available at: www.mass.gov/masshealth/duals and on the state procurement website Comm-PASS (www.comm-pass.com) under the Document Number 12CBEHSDUALSICORFR.

Please note that the deadline for responses to the RFR has been extended to August 20, 2012.

On June 19, 2012, the Executive Office of Health and Human Services (EOHHS) issued a Request for Responses (RFR) to solicit proposals from Integrated Care Organizations (ICOs) to participate in the Duals Demonstration program. The purpose of this Demonstration is to improve quality of care and reduce health disparities, improve health and functional outcomes, and contain costs for dual eligibles. Under this program the selected ICOs will be accountable for the delivery and management of all covered medical, behavioral health, and long-term services and supports for their enrollees.

For more information, visit: Mass.Gov

Upcoming Events

Money Follows the Person Stakeholder Meeting

August 15, 2012, 2:00 PM - 3:30 PM

Worcester Senior Center
128 Providence Street
Worcester, MA 01545

Free parking is available at the Worcester Senior Center parking lot located behind the Center and is accessible from Spurr Street. Handicapped parking is available in this lot as well as along the front entrance driveway off of Providence Street. Please contact MFP@state.ma.us to RSVP and to request reasonable accommodations. Although RSVPs are greatly appreciated, they are not required.

An **MFP 101 introductory session** will also be at the Worcester Senior Center and will begin at 1:30 p.m. on August 15, 2012.

Integrating Medicare and Medicaid for Dual Eligible Individuals Open Meeting

August 31, 2012, 10:00 AM - 12:00 PM

1 Ashburton Place, 21st Floor, Conference Rooms 1, 2, & 3,
Boston, MA

The purpose of this meeting will be to give an update on the Demonstration, and to focus on consumer and implementation issues.

Reasonable accommodations will be made for participants who need assistance. Please send your request for accommodations to Donna Kymalainen at Donna.Kymalainen@state.ma.us

Quarterly Affordable Care Act Implementation Stakeholder Meeting

Wednesday, September 19, 2012, 1:00 PM- 2:00 PM

1 Ashburton Place, 21st Floor
Boston, MA

Bookmark the **Massachusetts National Health Care Reform website**

at: http://mass.gov/national_health_reform to read updates on ACA implementation in Massachusetts.

Remember to check <http://mass.gov/masshealth/duals> for information on the **"Integrating Medicare and Medicaid for Dual Eligible Individuals"** initiative.